

STATEMENT OF BASIS

To: Reviewers

Through: Dan Olson, Administrator
Michael Stoll, Operating Permit Program Manager

From: Maggie Endres, Senior Environmental Analyst

Subject: Draft Operating Permit 3-1-120-2 for PacifiCorp, Jim Bridger Plant

Date: May 25, 2005

Attached for your review is a draft Wyoming Air Quality Standards and Regulations (WAQSR) Chapter 6, Section 3 operating permit modification for PacifiCorp, Jim Bridger Plant. The Operating Permit is being modified to incorporate new additional requirements which have become applicable to the Jim Bridger Plant since the issuance of Operating Permit 31-120-1 on June 15, 2004.

On January 28, 2004, the Air Quality Division, Department of Environmental Quality of the State of Wyoming adopted Chapter 14, Emission Trading Program Regulations, to Wyoming Air Quality Standards and Regulations. Section 3 of this regulation requires that any stationary source with actual emissions of 100 tons per year or more of sulfur dioxide in calendar year 2000 or any subsequent year remain subject to the emission milestone inventory requirements until 2018 or the first control period under the Western Backstop Sulfur Dioxide Trading Program established in Section 2 of Chapter 14. Chapter 14 includes a requirement to submit an annual sulfur dioxide emissions inventory under the guidelines of Section 3 by April 15 of each calendar year.

Chapter 6, Section 3(d)(vii) of Wyoming Air Quality Standards and Regulations (WAQSR) requires the Division of Air Quality to open the operating permit if additional applicable requirements under the Act become applicable to a major source with a remaining permit term of 3 or more years. On February 22, 2005 PacifiCorp was notified that the Division intended to open Operating Permit 31-120-1 on April 1, 2005, to add applicable requirements from Chapter 14, Section 3 of WAQSR. Additionally, MACT standard 40 CFR 63 Subpart ZZZZ for reciprocating internal combustion engines has been promulgated, and requirements are incorporated into operating permit 3-1-120-2. (The boilers are not subject to 40 CFR 63 Subpart DDDDD because they are greater than 25 megawatts and used for electric utility steam generation).

Changes in Permit 3-1-120-2

The following information and conditions have been changed in operating permit 3-1-120-2 to add the additional requirements from WAQSR Chapter 14, Section 3, and to make the permit consistent with other Chapter 6, Section 3 operating permits being issued by the Division at this time. Permit revisions include:

- The table of contents is updated.
- Requirements from WAQSR Chapter 14, Emission Trading Program Regulations, are added to condition F43.
- 40 CFR 63 Subpart ZZZZ requirements for the reciprocating internal combustion engines are added to the permit, and Appendix I has been added for ZZZZ.
- The requirement to annually certify compliance with the Emission Trading Program Regulations of WAQSR Chapter 14 is added as condition C1(b)(xvii).
- Condition G19, Open Burning Restrictions, is updated to reflect requirements in the recently revised WAQSR Chapter 10. The revised General Conditions are also updated to include G25, Sulfur Dioxide Trading and Emission Inventory Program.
- The Summary of Source Emission Limits and Requirements table for the engines is updated to reflect the addition of 40 CFR 63 Subpart ZZZZ.